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# AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE BUREAU OF AGRICULTURAL ECONOMICS,  
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## APPLE GROWERS REORGANIZING IN WESTERN NEW YORK

With the September estimate of the apple crop only 50% of the June estimate, the Western New York Fruit Growers' Cooperative Packing Association, Rochester, N. Y., is planning a complete reorganization of its affairs and a material reduction in overhead expenses. It is expected that the operating department will be reorganized, that the president will become the general manager, and that the inspection service offered by the association will no longer be maintained but that federal inspection will be accepted. The unexpected slump in the crop made prompt action imperative.

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## NORTH DAKOTA ASSOCIATION TO HAVE OWN SELLING AGENCY

Settlement for all but about 15% of the returns on the 1923 pool of the North Dakota Wheat Growers' Association, Grand Forks, N. D., was completed with a distribution of \$150,000 early in August. A part of the remaining 15% is required to finance some small lots of wheat still unsold, and a part is needed as a temporary reserve capital to meet the first drafts on the new crop.

A sales agency of its own in Minneapolis and Duluth will be established this season by the North Dakota association. However, it is expected that this will be a temporary arrangement and that the hard spring wheat states of Minnesota, Montana, North Dakota and South Dakota will be able to unite and formulate plans for a selling agency.

It is estimated that the association will handle about 25,000,000 bushels of wheat this year and careful instructions are being issued to members. All elevators are public warehouses and must receive pool wheat. Elevators are prohibited by law from buying pool wheat and each is furnished with a list of members of the association. Members are warned under no circumstances to sell their wheat to an elevator. Growers are also warned that all marketable wheat must be delivered regardless of whether or not it is mortgaged. The association will assume the mortgage and fully protect the mortgagee. A member loading his own car will be paid 3 1/2¢ per bushel for loading, the same as is paid to an elevator.

### NEW ORGANIZATION TO AID MILK PRODUCERS

A stock company known as the Ill-Mo Dairy Company, East St. Louis, Ill., was organized the first of February for the purpose of buying milk and making butter. It is not a cooperative company but is organized for profit. Capital stock has been issued to the amount of \$3,680. The stock is held by various farm bureaus of the State of Illinois and the Illinois-Missouri Cooperative Milk Producers' Association. The latter-named company went into the hands of a receiver in December, 1922, and some farmers have not received pay for part of their milk. The Ill-Mo Dairy Company was organized at the suggestion of the Milk Producers' Advisory Committee. It has a contract with the Illinois-Missouri Milk Producers' Association under which, in return for the use of the plant and equipment, all of the profits of the new company are turned over to the old company to be used in paying the debts.

(Items regarding the Illinois-Missouri Cooperative Milk Producers' Association were published in Agricultural Cooperation, January 29, 1923, p. 8, and November 19, 1923, p. 1.)

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### HAIL INSURANCE TO BE PAID IN THE CONNECTICUT VALLEY

As a result of one of the worst hail storm in the history of New England, on August 7, claims for hail insurance have been made by about one-fourth of the members of the Connecticut Valley Tobacco Association, Hartford, Conn. Hail fell unaccompanied by rain and ruined or badly damaged some 5,000 acres of tobacco belonging to the association's members, tattering the leaves and even cutting off the stalks. The most severe loss was to the Broadleaf growers on the east side of the river in Connecticut and it is stated that fully one-third of the Broadleaf crop is injured or destroyed. Numerous tobacco sheds were wrecked by the storm.

Hail insurance to the amount of \$300 an acre had been arranged by the association, and losses amounting to \$850,000 had been adjusted at last reports. In many fields the loss was 100%. Where a total loss adjustment is made the grower is required to destroy any tobacco which may remain in the field before payment of his claim is made. The insurance companies have a right to sell such fields if they so desire.

At a recent meeting of directors it was decided to make a deduction of 1% of the amount of the losses as determined by the adjusters, to cover expenses of interest charges, adjustment and administration of insurance.

FARMERS BORROW MONEY FOR PRODUCTIVE PURPOSES

Up to June 30 of this year, loans and discounts by the Rice Farmers Credit Association, Inc., Crowley, La., amounted to \$257,606. This association, which was organized earlier in the year, is affiliated with the Intermediate Credit Bank of New Orleans. It is capitalized at \$50,000, over half of which is paid in.

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SETTLEMENT MADE FOR 1923 RICE

Over a quarter million dollars was paid to members of the Arkansas Rice Growers' Cooperative Association, Stuttgart, Ark., in the final distribution, late in August. Prices averaged about \$1.15 per bushel for all grades, from the damaged to the best. This was nearly \$1 a barrel more to the grower than the association has ever paid since its organization.

Total receipts for the season, according to the annual statement as of July 31, 1924, were \$3,311,181, of which the sum of \$3,132,201 came from the sale of clean rice, while lesser sums from brewers' rice, rice bran, rice polish, chicken feed, commissions and rents, made up the remainder. Total operating expenses amounted to \$589,176, leaving \$2,722,005 available for distribution. From this a reserve of 1 1/2% for contingencies amounted to \$49,264. This left the sum of \$2,672,741 to be distributed to the members, or 30.7% of the total receipts, and 81.4% of the amount received from sales of rice.

The cost of milling 646,645.44 barrels was \$364,411.25. Among the many items of expense, a few of the larger were as follows:

Brokerage	\$42,038.98
Discount and exchange	24,254.03
Interest, discount and collection on drafts	6,280.07
Insurance	11,273.42
Interest on loans	20,627.66
Salaries.	
Administrative	22,391.64
General office	14,079.25
Sales department	16,367.58

The sum of \$1,214 was spent for advertising, and the net expense for the Arkansas Rice News was \$2,218. After due consideration the board of directors of the association has decided to close the membership books for the season on October 15. After that date no more members will be received. This act was in response to a popular demand by the members.



THIRD YEAR OF COOPERATIVE SELLING IS COMPLETED

August 8 was the close of the third year of cooperative selling by the Central Cooperative Commission Association, St. Paul, Minn. A few figures regarding the growth of the association are given in the following summary, showing figures for the month of July in each of the three years, as well as figures for the first seven months of each year.

Year	: Total Cars: : on Market : in July	Cars : Handled : by Central	: Per Cent : of : Total	: Total Cars : : for seven : Months	Cars : Handled by : Central	: Per Cent : of : Total
1922	: 5,881	: 1,119	: 19.02	: 34,316	: 8,288	: 24.15
1923	: 5,429	: 1,447	: 26.65	: 37,093	: 11,131	: 30.00
1924	: 5,595	: 1,400	: 25.02	: 40,901	: 11,577	: 28.30

The Central Cooperative Commission Association became affiliated with the National Livestock Producers' Association on October 1, 1923.

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CHICAGO PRODUCERS PRESENT FINANCIAL STATEMENT

Net commissions earned by the Chicago Producers' Commission Association, Chicago, Ill., during the year ending June 30, 1924, amounted to \$348,385, according to the annual statement. Operating expenses were \$95,767, of which \$87,310 was for salaries, \$4,526 for extra help, and the remainder, miscellaneous. Administrative expenses amounted to \$116,239, some of the larger items making up this total being as follows:

Advertising	\$9,115.49
Fee, National office	8,926.00
Insurance, all kinds	5,352.93
General salaries	59,068.96
Stationery, printing, etc.	4,443.27
Traveling expenses	7,587.03

Other income and expenses brought the total net income for the year to \$138,090. From this the directors have authorized the distribution of the following sums:

Employees' bonus	\$ 6,142.71
Refund to members, 30%	103,461.55
Educational fund	2,595.95
Surplus	42,541.88

FARMERS GET A SUBSTANTIAL PATRONAGE DIVIDEND

A patronage dividend or bonus of 3 1/2% per 100 pounds of milk delivered during 1923 was given members of the Cooperative Pure Milk Association, Cincinnati, Ohio, following the annual audit. According to the audit, outstanding certificates of indebtedness on December 31, amounted to \$232,180 and the surplus amounted to \$28,737. From this surplus the sum of \$27,918 was used for the patronage dividend.

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SWEET CREAM TO BRING A BONUS

Sweet cream and sour cream pools have been established by the Midwest Dairymen's Company, Chicago, Ill. As cream is received at the Chicago milk station the shipper is sent a check based on the price of 92 score butter. In the month following, however, a bonus check is sent to each shipper for his share of any money over the amount necessary to pay expenses of operation. Since the returns from the sale of sweet cream will go into a separate pool the management hopes to reward those producers who take pains to deliver their cream to the receiving plant before it sours.

This is but an extension of the idea stressed by present day cooperatives of marketing the different kinds and grades of products so that the returns for each may be reflected back to the producer.

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FAVORS EDUCATIONAL WORK IN COOPERATION

In a signed statement issued recently the manager of the Franklin Cooperative Creamery Association, Minneapolis, Minn., says in part "the most urgent need in the cooperative movement today is trained men and women.... A cooperative undertaking can no more be managed by good intentions than any other business enterprise."

Acting in harmony with the beliefs of the manager the educational committee of the Franklin Association is arranging for classes at its two plants for the study of cooperation and economics. It is the hope of those who are urging the educational work that eventually a permanent resident school of cooperation may be established. Back of the whole program for educational work is the thought that the various cooperatives will develop from the ranks the men and women who will become the future heads of departments.

The Franklin Association which was organized in the fall of 1919, reports net sales for the first six months of 1924 amounting to \$1,660,000, as compared with \$1,462,000 for the first six months of 1923. Net profits for the six month period amounted to \$77,000. At the close of business on June 30, 1924, capital stock outstanding amounted to \$982,100 and the credit balances in the surplus and undivided profits accounts amounted to \$103,115.

LARGE BUSINESS REPORTED BY CANADIAN ASSOCIATION

That the association had handled the largest volume of butterfat in its history during the year 1923, was reported by the Fraser Valley Milk Producers' Association, Vancouver, B.C., at its seventh annual meeting, Feb. 26 and 27, 1924. The quantity of butterfat which passed through the various plants of the company was 3,044,219 pounds, an excess of 71,569 pounds over 1922, when 2,972,650 pounds were handled. Total sales of milk and its products in 1923 reached the sum of \$2,819,967. Expenses were \$1,178,857; the sum of \$39,953 was paid to farmers as interest on their respective investments; and \$1,574,423 was paid to farmers for their products, the major portion being for sweet milk; leaving \$26,732 still to be distributed.

Organization of the Fraser Valley Milk Producers' Association was effected in 1913, but due to war conditions it did not begin to function until 1917. During the past year a reorganization and consolidation of the Vancouver marketing operations was determined upon in order to bring expenses down to the lowest possible point. Accordingly all marketing work was merged, the president became the general manager, the positions of wholesale and retail managers were done away with, the offices were consolidated, and all accounting systems were merged into one. Following this reorganization a membership campaign brought many more shippers into the association. The directors' report contains the following statement:

In carrying on this campaign your Directors were able to get a good deal of first-hand information regarding the attitude of producers of milk, and to learn the grievances which the farmer frequently has... In this connection it is sincerely believed that the policy of having a member of the association, who knows all the farmers' problems at the helm of the business constantly, is one of the most advanced steps taken during the year...

The increase in membership has been gratifying, the figures standing at 1,691 at the end of 1921, 1,780 at the end of 1922, and 1,841 at the end of 1923. "The number of independent milk producers out of the association is very small, and every week sees addition to our ranks." The association is now handling 80% of all the milk distributed in Greater Vancouver and New Westminster.

The association owns real estate valued at \$33,708, its buildings, plant and machinery (depreciated) are valued at \$356,877. Capital stock issued amounts to \$571,100, of which \$33,350 was redeemed during 1923, leaving \$537,750 outstanding.

The sum of \$300,377 was paid for wages during the past year; \$62,999 for salaries; and \$27,574 for advertising. A payment of \$20,000 was made on the mortgage of the association on January, 1923, a similar payment in January, 1924, and it is expected that a final payment of \$20,000 will be made in January, 1925.

A fieldman was employed to assist in producing clean milk and checking weights and tests. More recently a competent chemist and bacteriologist was added to the ranks.



TOBACCO ASSOCIATION BEGINNING THIRD YEAR OF WORK

Thirty-four markets in the Eastern Belt were opened on September 2 by the Tobacco Growers' Cooperative Association, Raleigh, N. C., the beginning of the third year of operation. On the same date five warehouses in Central North Carolina were opened. The association officials state that every member of the association in Eastern North Carolina is entitled to receive 75% of the bankers' valuation of his delivery at the cooperative floors, provided he wishes to avail himself of a loan to the amount of half the cash received upon his tobacco, through an arrangement made between the tobacco association and the North Carolina Credit Corporation. Eastern North Carolina members last year delivered 27,000,000 pounds of tobacco, compared with 23,000,000 pounds the previous season, and from present indications it is believed that a larger proportion than ever will be delivered this year from the eastern section.

Five hundred new members from South Carolina came into the association between August 5 and August 20, on which date the membership books were closed for that section. September 2 was set for the closing of the books in North Carolina and no 1924 tobacco will be received from members coming into the association after that date.

During the first three weeks of August the leaf department reported sales of more than 23,000,000 pounds, leaving only 17,000,000 pounds of flue-cured 1923 tobacco on hand. On the same date last year the association held 50,000,000 pounds of the 1922 crop. Its stocks of bright tobacco are nearly all sold and the prospects are considered good for making a final settlement on the 1922 crops in North Carolina and Virginia.

Association officials expect that another payment on sun-cured tobacco of the 1922 and 1923 crops will soon be made. They state that prospects for sales of the Virginia dark-fired stocks have also improved, the situation looking more promising than at any time since 1919. Practically all tobacco of this type is exported to European countries and is, therefore, greatly influenced by conditions of the European markets.

The opening of the season in South Carolina was accompanied by a third payment of \$792,000 on the 1923 crop. This brought the receipts of each member up to 87 1/2% of the bankers' valuation of the 1923 deliveries. Final settlement to these members for their 1922 tobacco had already been made.

Eastern North Carolina members have received 75% of the valuation of their 1923 tobacco, and the payment of \$2,300,000 to members in the old belt of Virginia and North Carolina, scheduled for September 15, brought their receipts also to 75% of the bankers' valuation of the 1923 crop.

The membership of the association now stands at 95,500 and the number of locals at 1,800.

FINANCE CORPORATION FORMED BY TEXAS COTTON GROWERS

An organization known as the "Texas Cotton Growers' Finance Corporation" was formed recently by the Texas Farm Bureau Cotton Association, Dallas, Tex., "to facilitate the delivery of members' cotton through the association. It will not enter the domain of production credit but will confine its activities to taking up mortgages on members' cotton where the security is fully ample, and in cases where pressure from the mortgage holder would make imperative the selling of the cotton on the streets." It plans "in no way to interfere with the normal functions of the country banks but, on the contrary, to supplement the funds of the local banks if they find it difficult or impractical for the members to ship their cotton to the association while indebted to the banker or merchant who has provided them with production credit."

A line of credit for financing the handling of the crop this season has been established by the cotton association, at an interest rate as low as that enjoyed by the oldest and best established business concerns in the country. Arrangements have been made to secure between \$3,000,000 and \$4,000,000 from the Dallas banks and \$12,000,000 from banking interests in New York. Other Texas interests have shown a willingness to lend money to the association as needed. It is expected that the business of the association will exceed \$50,000,000 this season.

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TEXAS COTTON GROWERS RECEIVE FINAL SETTLEMENT

Checks to the amount of \$2,199,282 were mailed to members of the Texas Farm Bureau Cotton Association, Dallas, Tex., early in the month, in final settlement for 1923 cotton. This brings the total payments for the season to \$28,366,777. A statement accompanying the checks showed that the cost of handling for the season was \$1.43 a bale less than the figures for the previous year, a total saving of \$260,714. The management declared that it felt justified in expressing the belief that by pooling their cotton the members had saved from \$15 to \$40 a bale, depending upon location and grade.

The average weight per bale of the 182,318 bales handled was 524 pounds, compared with 520 pounds the previous year. This cotton came from every section and from practically every cotton-producing county in the state.

The association secured 1,305 new members during August. As most of the field men are devoting their time to securing the delivery of cotton rather than signing up new members, this is considered a remarkable record. A large percentage of the new members were signed up at the cotton gins or at the selling centers.

To help in securing full delivery of cotton from members the field service department has appointed representatives in a number of counties. Any member who, for financial or other reasons, might be prevented from delivering his cotton to the association, is expected to present his case to one of the county men who will assist him in making satisfactory arrangements.

MOTION PICTURE USED BY COTTON ASSOCIATION

A motion picture dealing with the production of cotton and the methods of marketing developed by the Arkansas Cotton Growers' Cooperative Association, Little Rock, Ark., is being shown in the cotton-producing sections of Arkansas by representatives of the associations.

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SEVENTY DOLLARS A BALE ADVANCED FOR COTTON

Seventy dollars a bale on 500-lb. bales will be advanced by the North Carolina Cotton Growers' Cooperative Association, Raleigh, N. C., for 1924 cotton delivered after September first until further notice. On smaller bales the advances will be as follows:

450 to 500 pounds	\$60
400 to 450     "	55
350 to 400     "	50

This advance amounts to between 54% and 60% of the present value of cotton, based on middling, 7/8 to 1-inch staple. With the opening of the pools a list of receiving warehouses was published for the benefit of the growers.

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GEORGIA COTTON GROWERS RECEIVE FINAL SETTLEMENT

A final distribution of \$1,232,000 on 1923 cotton was made in July by the Georgia Cotton Growers' Cooperative Association, Atlanta, Ga., covering assigned and unnumbered cotton. Total business for the year amounted to more than \$10,000,000. The 71,000 bales of cotton were handled in more than 75 pools. The highest price brought by any one pool was 35.95 cents while the average selling price was a little over 27.50 cents a pound, compared with the 1922-23 season when the farmers received 22 cents. Deductions for expenses amounted to 1.55 cents per pound, although interest and insurance charges were somewhat heavier than in the previous season. A saving in warehousing charges of 89 cents a bale was effected by concentrating storage at fewer points.

The membership has increased from 13,000 two years ago to approximately 42,000 at the present time.

Announcement is made by the president that many things are happening in the association. Financial arrangements have been made for the year which are much better than the association has enjoyed heretofore; a reduced insurance rate has been secured; better warehousing arrangements have been made; the classing department is in better shape; the office force is improved; and the crop is much better than last year.



MINNESOTA POTATOES TO BE SOLD UNDER "GOPHER STATE BRAND"

"Gopher State Brand" is the name chosen by the Minnesota Potato Growers' Exchange, St. Paul, Minn., for its trade mark. It is stated that the name was selected as "typical of Minnesota, easy to remember, and distinctive." Another consideration was that it was short and could be used readily in telegrams without extra expense. As a large part of the crop is sold by wire this is a matter of importance.

Potatoes to be sold under the new brand will be packed in sacks bearing the words "Gopher State Brand," followed by a circular design containing a shadow map of Minnesota, surrounded by the name "Minnesota Potato Growers' Exchange." Two separate packages have been adopted, one for the sand land and central sections and one for the Red River Valley. The former type is marked "Minnesota's Best Potatoes, 120 lbs. net when packed," and the latter, "Red River Valley's Best Potatoes, 150 lbs. net when packed." The designs are printed in red and blue on the sacks. The brand name will be registered and the designs copyrighted. Every precaution will be taken to establish the reputation of Gopher Brand potatoes as a quality product on the markets of the country and only the best potatoes delivered will be allowed to be packed under this brand as they must comply with specifications better than U. S. Grade No. 1. "Keep the little ones at home" is said to be a slogan of the association.

A loan of \$35,000 was recently secured from the Agricultural Credit Corporation for use in meeting marketing expenses. Notes from members, secured during the organization campaign, were given as security.

After a year devoted to organization and preparation the first car of association potatoes was shipped on August 22 from Anoka, one of 16 stations opened on that date. Another car starting shortly after from Elk River, was the first one sold under the "Gopher Brand" and brought a premium of 15¢ a bushel on the Chicago market. It is stated that the potatoes were of first-class stock, even in quality, were loaded according to accepted rules and regulations, arrived in excellent condition, and caused much comment among potato buyers.

A method of forming subsidiary warehousing corporations has been worked out and is considered "very definite, sensible and inexpensive." The plan calls for three district warehousing corporations, covering the eastern, central and western districts of the state. A conference of the county boards and state trustees of each district is to be held soon in that district. At these conferences the warehousing plans are to be presented and if adopted will go into effect promptly.



MICHIGAN POTATO EXCHANGE COMPLETES SIXTH YEAR

The quantity of potatoes handled by the Michigan Potato Growers' Exchange, Cadillac, Mich., the past year was the largest in the six years of operation with the exception of the 1920-21 season. A total of 3,122 cars of table stock was sold through the organization. Seed potatoes handled amounted to 131.5 cars or 80,700 bushels. The table stock went to 630 individual buyers in 238 cities and towns in 19 states and the District of Columbia. The states which received the largest number of cars were as follows: Ohio, 735 cars; Pennsylvania, 525 cars; District of Columbia, 354; North Carolina, 307; and Indiana, 292. In addition to handling potatoes for 104 affiliated locals, the exchange handled 65 cars for individuals. The average pool price was \$1 per cwt. for No. 1 stock and \$1.10 for fancy stock, of which there were 734 cars.

Total receipts for the season of 1923-24 were \$1,850,121. The cost of operating the exchange was six cents per cwt. of potatoes handled. As a deduction of eight cents was made for marketing expense this left two cents per cwt. to go into the surplus fund which fund is divided between the exchange and the affiliated locals on the basis of 25% to the exchange and 75% to the locals.

Detailed figures for the six years are given below:

Season	: Number of : Affiliated : Locals	: Cars of : Potatoes : Handled	: Total : Cars : Handled <sup>1/</sup>	: Gross Sales
1918-19	: 52	: 2,118	: 2,277	: \$1,800,000
1919-20	: 97	: 2,158	: 3,085	: 4,815,000
1920-21	: 119	: 3,250	: 3,622	: .....
1921-22	: 128	: 2,439	: 2,520	: 1,777,800
1922-23	: 109	: 2,922	: .....	: 1,097,900
1923-24	: 104	: 3,122	: 2/	: 1,850,121

<sup>1/</sup> Including apples, cabbage, hay, rye, etc.

<sup>2/</sup> Apples, 30 cars; cabbage, 3 cars; seed potatoes, 131.5 cars.

More than 100 cars of potatoes were turned over to the exchange by each of five locals, and one local furnished more than 200 cars. The potatoes handled by the exchange are estimated at 20% of the commercial tonnage of the state.

The purchasing department bought for the members large quantities of potato bags, shipping tags, twine, car lining, and spraying material, also five potato graders, six sprayers and four dusters.

A campaign is in progress to secure the signatures of potato growers to a contract providing for the delivery of potatoes for five years. Canvassing has been completed for 40 locals and it is reported that about 75% of the members have signed contracts.

SEVENTY-FIVE PER CENT ADVANCED ON COLORADO POTATOES

Members of the Colorado Potato Growers' Exchange, Denver, Colo., are receiving 75% of the average pool price for the week, at the time of loading their potatoes. The first weekly pool of the association at Fruita, July 14 to 20, contained 24 cars of U. S. No. 1 potatoes, for which the growers received a net average price of \$1.30 per cwt. Complete settlement on this pool was made to members within 10 days after the pool closed. On the second pool an advance of \$1 per cwt. was made at the time of delivery and it was expected that full returns would be made within 20 days after the close of the pool. Up to August 15 the exchange had shipped 165 cars of potatoes out of the Fruita district.

As the exchange has its own salesmen on the Denver market, its own office and representative at Fort Worth, and its own exclusive brokerage connections in all markets, it is able to compete with local buyers, and it is stated that on August 14 the exchange was advancing 95¢ cash to growers at time of loading while the local buyers' cash price was 90¢.

At the close of the 1922-23 season a surplus of \$63,706 was distributed to members, an average of about 4¢ per cwt. on all potatoes sold.

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WAREHOUSING PLANS FOR MAINE POTATOES

Twenty-five dollars per acre is the amount fixed for the first advance to members of the Maine Potato Growers' Exchange, Caribou, Me. Notes covering this payment were to be mailed to members early in September.

Careful instructions regarding the details of warehousing have been issued by the warehousing department and growers are urged to become familiar with these details and thus aid in facilitating the movement of the crop. Table stock and seed stock are to be handled separately. Each member will be allowed to deliver his monthly quota of table-stock potatoes for shipment, this quota to be based on the total quantity he has to sell. Seed potatoes may be delivered for shipment only when orders have been received by the warehouse department from the seed department. No potatoes, listed as certified or common seed, are to be shipped out as table stock except under orders to the warehouse department from the seed department. Potatoes stored in warehouses are to be stored in separate bins for each grower and all data regarding same are to be recorded on a storage slip.

Deliveries are to be recorded in pounds rather than in barrels, as was done last year. All sales are to be made by weight and quotations are based on pounds. It is expected that weighing the deliveries will minimize errors in the accounting department, besides being more satisfactory to growers.

Table stock will be classified in five grades: Pine Tree State grade, U. S. Grade No. 1, U. S. Grade No. 2, Kings, and U. S. Grade No. 1, Small.

MINNESOTA COOPERATIVES SUBJECT TO DOUBLE LIABILITY

In the case of Farwell, Ozmun, Kirk & Company, v. the Goodhue County Cooperative Company, 199 N. W. 436, the Supreme Court of Minnesota held that it was proper to assess the stockholders of this cooperative company 100% (double liability) on the capital stock held by them. This company was in financial straits and as a result thereof creditors took action with a view of having the stock of the various stockholders assessed. It will be remembered that the liability of a stockholder of a corporation to an assessment depends upon the law of the state under which the corporation was organized.

The stock of many corporations, both cooperative and otherwise, is non-assessable, but the question whether stock is assessable or not can only be answered by a careful examination of the law of the state under which the corporation in question was formed. Section 3 of Article 10 of the Constitution of Minnesota reads as follows:

Each stockholder in any corporation, excepting those organized for the purpose of carrying on any kind of manufacturing or mechanical business, shall be liable to the amount of stock held or owned by him.

The Supreme Court of the United States in the case of Bernheimer v. Converse, 206 U. S. 516, said with reference to the constitutional provision of Minnesota in question:

The courts of Minnesota have held that a stockholder's liability is, therefore, fixed and measured by the constitution. Willis v. Mabon, 48 Minnesota, 140; McKusick v. Seymour, Sabin & Co., 48 Minnesota, 158. It is apparent from a consideration of this constitutional provision that its purpose was to make a stockholder liable to the creditors of the corporation in an amount not exceeding the par value of the stock held by him, and thus secure for the benefit of such creditors, in addition to the assets and property which the corporation might possess, the liability of those who hold its stock in a sum necessary to make good any deficiency between the amount of the assets and the debts within the limitations stated.

It was urged on the appeal in the instant case that the cooperative company came within the exception in the constitutional provision referred to. The Supreme Court said that the finding of the Trial Court that the company did not come within the exception in the constitutional provision in question was conclusive. The only question passed upon in this case was that the stock of the defendant company was assessable under the constitution of the state. With respect to this matter the Supreme Court said:



That there may be no misunderstanding it should be understood that the order under review, and which we affirm, concludes the parties upon the question of the assessability under the Constitution of the stock of the cooperative company, and the propriety of the assessment made. It is not a holding that the defendants are stockholders, nor that the additional stock was legally issued, nor that there is liability on it, nor does it conclude the stockholders in any personal defense.

L. S. Hulbert.

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#### NORTH DAKOTA ELEVATOR MAKES PROFIT HANDLING GRAIN

Stock and patronage dividends amounting to \$83,533 have been paid by the Equity Elevator and Trading Company, Sheyenne, N. D., during the eight years ending May 31, 1924, according to the report of the firm which has conducted the yearly audits. Gross profits for the eight-year period were \$147,546; other income, \$22,743; and total income, \$170,289. General expenses were \$48,316, and depreciation was placed at \$7,733. There was a credit balance of \$20,534 in the surplus account at the close of the period. Outstanding capital stock at this time, including capital stock subscribed for, was \$24,050, making total net worth \$44,584.

Nearly fifty-four per cent (53.9) of the gross profits for the eight years came from handling wheat; 13.8% came from screenings; 12.5% from flax, corn, barley and oats; 9.1% from rye; 7.5% from fuel; and 3.2% from posts, flour, twine, apples, and other commodities.

The largest gross profit made in any one year was in 1919 when the total sales amounted to \$813,089 and gross profits to \$26,540. From 1919 to 1923 the total sales decreased steadily. In the table below are given the figures for the different years.

Year	:	:	:	:	:
Ending	:	Total Sales	:	Gross	:
June 30	:	:	:	Profits	:
	:		:	General	:
	:		:	Expenses	:
	:		:		Dividends
	:		:		Paid <sup>1/</sup>
1917	:	\$313,892	:	\$25,152	:
1918	:	367,017	:	22,177	:
1919	:	813,089	:	26,540	:
1920	:	486,002	:	23,152	:
1921	:	308,573	:	5,557	:
1922	:	268,833	:	11,077	:
1923	:	244,143	:	16,553	:
1924 <sup>2/</sup>	:	.....	:	17,335	:
	:		:	6,299	:
	:		:		\$ 5,960
	:		:		14,798
	:		:		10,618
	:		:		15,222
	:		:		14,473
	:		:		.....
	:		:		13,239
	:		:		9,220

<sup>1/</sup> Dividends on capital stock and on patronage..

<sup>2/</sup> Year ending May 31.



WOOL MARKETED COOPERATIVELY IN NEW BRUNSWICK

A total of 42,788 pounds of wool of the 1924 clip was marketed cooperatively by the New Brunswick Sheep Breeders' Association, Canada, according to a consular report received recently. Of the total amount 22,000 pounds were exported to the United States.

The cooperative marketing of wool has been carried on in the Province of New Brunswick since 1914, when it made its first start in the county of Sussex. About 1918, the movement had become province-wide, and since that time the wool has been sold according to grade.

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KENTUCKY WOOL GROWERS RECEIVE PAYMENTS

Final settlement has been made for 1924 wool by the Farmers' Union Wool Growers' Cooperative Association, Lexington, Ky., and all checks have been mailed out accompanied by full statements regarding the number of pounds in each grade, the net price received for each grade, and the deductions made for expenses. Wool was sold only for members of the Farmers' Union whose dues were paid up to date. The wool was graded and sold to a Louisville firm.

Attention was called to the noticeable variations in the quality of wool delivered and to the fact that the prices received by one grower whose wool graded all three-eighths or quarter-blood were 17.6¢ higher than prices received by other growers who had taken less care of their sheep and whose wool graded medium and hard burry.

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BIG Y TO USE OIL WRAPS ON WINTER APPLES

"The Big Y is getting to a place where it apologizes to no one for its pack. That is right where we want to stay." The above statements are from a bulletin issued by the field department of the Yakima Fruit Growers' Association, Yakima, Wash., to its warehouse managers. The same grade rules as were used last season are to be used this year except that winter apples are to be wrapped in oiled paper. Warehouse operation is to be limited to the shortest possible period, as in previous seasons, and the managers are instructed to employ full crews in order to pack all fruit as rapidly as possible and then shut down. It is believed that this plan insures better quality of fruit and reduces expenses.

All fruit packed out before September 5 was handled in weekly valley pools. After September 5 all apples are to be handled in a seasonal valley pool with the exception of Winter Bananas and Jonathans.

RAISIN GROWERS RECEIVED FORTY-THREE PER CENT OF SALES

Figures regarding the 1922 raisin crop show that during the crop year of 1922, the Sun-Maid Raisin Growers of California, Fresno, Calif., received from its members 204,630 tons of raisins with a gross sale value of \$30,830,037.78, including fruit valued at \$4,413,552.05 carried over into the next season. Returns to growers amounted to \$13,151,954.40, or 43% of the gross sales, an average price of 3.2136¢ per pound. Figures for the 1923 crop are not yet available.

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CANADIAN WHEAT POOLS TO RECEIVE ADVANCE OF ONE DOLLAR

An initial payment of \$1.00 per bushel for 1924 wheat is to be made to members of the Alberta, Saskatchewan, and Manitoba wheat pools, according to a recent announcement. This payment will be on the basis of No. 1, Northern, at Fort William, and is 25¢ more than the advance of last year. It is also announced that eight of the chartered banks have collectively authorized a credit of \$25,000,000 to finance the operation of the three pools and the central selling agency. Interest on this fund will be 6%, compared with 6-1/2% last year.

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MARKETING COSTS WERE REDUCED

In his annual report, prepared under date of July 8, the manager of the California Lima Bean Growers' Association, Oxnard, Calif., states that the members of the various local organizations of which the state association is formed, receive 55 cents out of the consumers dollar. He further points out that 80% of the growers in the lima bean producing sections of California are members of the various local associations. The costs of operating the association were reduced from 38¢ per cwt. for 1922 regular lima beans to 35¢ per cwt. for 1923 beans and from 51¢ for 1922 baby lima beans to 38¢ for 1923 baby limas. The total cost to the grower for marketing the 1923 crop is estimated by the manager as 4-1/2% of the f.o.b. price. Under date of August 7, the manager indicated that the final returns to growers would be on the basis of f.o.b. prices of \$8.27 and \$8.22 per cwt. for regular and baby limas respectively.